

Clean Fuel Vehicle Tax Credit

Taxpayers may claim a nonrefundable credit on their individual income tax, corporate franchise tax or fiduciary tax returns for the purchase or conversion of vehicles that use cleaner burning fuels. A separate form must be completed and attached to the individual or corporate franchise tax return for each vehicle claimed. If the credit claimed exceeds the tax liability for a taxable year, the credit that exceeds the liability may be carried forward for up to five taxable years. See instructions on reverse side.

NOTE: A hybrid vehicle may qualify if the same vehicle model is manufactured without the clean-fuel fueling system and the hybrid vehicle otherwise meets the requirements for clean fuel vehicle.

The credit may only be taken once per vehicle. It must be certified and claimed in the taxable year in which the item is purchased or converted.

Part A - This section must be completed by the taxpayer.

| | | |
|-------------------------------|------------------|-------------------------------|
| Taxpayer's name | Telephone number | Social security number or EIN |
| Address | City | State and ZIP code |
| Vehicle Identification Number | | |

Part B - This section must be completed by the Division of Air Quality, Department of Environmental Quality.

Indicate the following:

1. The vehicle is fueled by (check all that apply):
☐ Propane ☐ Natural gas ☐ Electricity ☐ Other _____; or
☐ Gasoline ☐ Diesel

2. ☐ The vehicle meets clean fuel vehicle standards in the federal Clean Air Act

3. ☐ Converted vehicle ☐ OEM Vehicle *(a vehicle manufactured to use a clean fuel)* ☐ Converted special mobile equipment

Certification by the Division of Air Quality, Department of Environmental Quality

I certify to the best of my knowledge and belief that the information contained in Parts A and B above are true and complete.

| | | |
|---------------------------------|-------------|---|
| Authorized signature (required) | Date signed | DEQ original stamp of approval (required) |
| X | | |
| Title | | |

Part C - This section must be completed by the taxpayer.

| | |
|-----------------------------------|--|
| Amount of qualifying expenditures | Amount of credit claimed (See General Instructions on reverse side for credit limitations) |
| \$ | \$ |

IMPORTANT - PLEASE READ

Refer to the instructions for your **INCOME TAX (TC-40)**, **CORPORATE TAX (TC-20 or TC-20S)**, or **FIDUCIARY TAX (TC-41)** return to determine the line number on which you will record this credit.

The credit code is "05" for all returns.

The Air Quality **certification signature** may be obtained by mailing or presenting this form with the required documentation to Department of Environmental Quality, Division of Air Quality, 150 North 1950 West, SLC, UT 84116, telephone (801) 536-4000.

For further information regarding the **tax credit**, contact the Utah State Tax Commission at (801) 297-2200 or 1-800-662-4335, outside the Salt Lake area.

Americans with Disabilities Act accommodations:

For **tax information**, contact the Tax Commission at (801) 297-3811 (TDD 297-2020). Please allow three working days for a response.

For **Certification** information, contact the Department of Environmental Quality at (801) 538-6121.

The credit may only be taken once per vehicle. It must be certified and claimed in the taxable year in which the item is purchased or converted.

Taxpayers may claim a nonrefundable tax credit against state individual income tax, corporate franchise tax or fiduciary tax as follows:

OEM Vehicles: 50 percent of the incremental cost* of a new vehicle minus any grant received, up to **\$3,000** per vehicle registered in Utah if:

1. It is fueled by propane, natural gas, or electricity;
2. It is fueled by another fuel determined by the Air Quality Board to be as effective as the above listed fuels; or
3. It meets the clean fuel vehicle standards in the Clean Air Act; and
4. A previous owner did not take the same credit.

*Incremental cost is the difference between the cost of a new vehicle and the cost of the same model without the clean fuel system.

NOTE: A hybrid vehicle may qualify if the same vehicle model is manufactured without the clean fuel fueling system and the hybrid vehicle otherwise meets the requirements for clean fuel vehicle.

Converted Vehicles: 50 percent of the cost of equipment for conversion minus any grant received, up to **\$2,500** per vehicle registered in Utah if:

1. It is to be fueled by propane, natural gas, or electricity;
2. It is to be fueled by another fuel determined by the Air Quality Board to be as effective as the above listed fuels; or
3. It will meet the clean fuel vehicle standards in the Clean Air Act.

Converted Special Fuel Mobile Equipment Engines: 50 percent of the cost of equipment for conversion of special mobile equipment engine minus any grant received, up to **\$1,000** per special mobile equipment engine, if:

1. It is to be fueled by propane, compressed natural gas, or electricity;
2. It is to be fueled by another fuel determined by the Air Quality Board to be:
 - a. As effective as the above listed fuels, or
 - b. Substantially more effective in reducing air pollution than the fuel for which the engine was originally designed.

Procedures

1. If you have purchased a qualifying vehicle or converted a vehicle or special mobile equipment engine, submit the required documentation with this completed form to the Division of Air Quality. Complete information for obtaining clean fuel vehicle certification is located in the Utah Code Annotated as follows:

R307-121-4: Proof of Purchase for OEM vehicle

R307-121-5: Proof of Purchase for Vehicle Converted to Alternative Fuels

R307-121-6: Procedures for Obtaining Certification by the Board for Special Fuel Mobile Equipment

R307-121-7: Procedures for Obtaining Certification by the Board for Fuel Conversion Systems

2. The Division of Air Quality will complete Part B. The credit is not valid, unless an authorized signature and certification stamp are present.
3. Write the amount of qualifying expenditures and credit claimed in the spaces provided in Section C.
4. Attach the original completed and signed form to your individual income tax, corporation franchise tax or fiduciary tax return. Refer to the return instructions to determine the line number on which to record this credit. **The credit code is "05" for all returns.**
5. Keep a copy of this form and other documentation for three years from the date the return is filed.